

This is a file composed by Technocracy Incorporated CHQ 44.94 -93.29 edited by *Skip Stevert*
This essay was written by a member of Technocracy Incorporated, R.B. Langan, and presented originally in the 1940's by Technocracy Incorporated. This file was re-presented in Sept. 2007 in [Technocracy - The Design of the North American Technate.](#)
and this Technocracy information site. [technocracy-incorporated » home](#) This is open source information.



I am the Price System !

ALWAYS WITH YOU

I have existed since the beginning of social life, yet few recognize my fundamental characteristics. Except for some minor civilizations here and there, I am the only type of social system that has ever existed. I was conceived in human toil and scarcity,

I Am The Price System

R. B. Langan

1944

Published in:

- Great Lakes Technocrat March/April 1944, No. 66
 - A pamphlet along with *The Culture of Abundance* by E. Merrill Root. Published in 1945 and distributed for several decades.
 - Technocracy Digest, 4th quarter 1982, No. 266.
 - Social Trends Newsletters, July. 1996, No. 149 and August. 1996, No. 150
 - [Technocracy - The Design of the North American Technate. 2007](#)
-

ALWAYS WITH YOU

I have existed since the beginning of social life, yet few recognize my fundamental characteristics. Except for some minor civilizations here and there, I am the only type of social system that has ever existed. I was conceived in human toil and scarcity, dedicated to profit and waste. I am the Price System.

Before recorded history I laid my foundation in the early tribal life of humankind. In the ancient world they called me Chattel Slavery. During that long night of the human mind called the Dark Ages I was

known as Feudalism and Serfdom. In the modern world I am called Capitalism. They even entitle me Democracy in certain nations. Of all my names, the most misleading is Communism. My name has been changed many times, but I have remained essentially the same in all countries and all times...except that my techniques have improved.

For uncounted generations I have held sway over the bodies and minds of people in every nation. Today I exist all over the world in various stages of development, controlling the production and exchange of goods and services, and all the means whereby people live.

I am the group expression of humankind's common urge to live and prosper at the expense of fellow humans and the environment. I am the system wherein everyone is forced to give as little to society as possible, and take back as much as they can get.

I am the law of the jungle (eat or be eaten; kill or be killed), projected by mankind into institutional forms. I am the lowest common denominator of the ability, intelligence and necessities of humankind.

HISTORY SPEAKS HIGHLY OF ME

- I am the Neolithic human who bartered pretty sea shells and rare stones for food and drink and a place by the fire.
- I am the tribal medicine man who charged a fee for exorcising the devils.
- I am all of the religious voodoo concepts that were invented by the power possessors to control the societal template.
- I am the oligarchy of Athens who poisoned Socrates.
- I am the religious people who are brainwashed with abstract concepts.
- I am the legions of Rome who conquered Greece and the fanatics of the Christian Church who burned the library at Alexandria.
- I am the Inquisition that persecuted Galileo.
- I am the radicals of Paris who beheaded Lavoisier; ``the revolution has no need of chemists." How true, from my point of view.
- I am Cortes and the Spanish Conquistadores who slaughtered the poorly armed Aztecs in Montezuma's Mexico, and I am the pioneering white settlers who did the same to the tribes of Native Americans.

MOOD OF CONFESSION

Early in social life, I discovered that values are determined by human desire and scarcity. *Value* and *Scarcity* are my cornerstones.

I dressed them up so no one would recognize them, and baptized them *Supply* and *Demand*. In this guise they have befuddled people for ages. And now, economists proclaim *Supply* and *Demand* to be natural laws that dictate prices. This takes the moral blame off me, the Price System, and creates the impression that nothing can be done about it.

Supply and *Demand* has been a useful myth for me. Behind its cover I have always restricted the *Supply* and never allowed *Demand* a free avenue of expression. Actually, there is no ceiling to *Supply* except ability to produce, and no limit to *Demand* except ability to consume. But I can't afford to let it

become widely known that economic laws are **not** physical laws, neither measurable nor verifiable.

After this initial discovery, I needed more tools. So, I invented a promise. I call it *Promise To Pay*. *Promise To Pay* cannot be seen, tested, heard, felt, nor measured. I conjured it out of nothing and planted it into the minds of people where it took root and grew.

Promise To Pay was the first of a long list of operating devices that I invented to facilitate my way of functioning. These devices were all conjured out of nothing, with no basis in physical laws; yet they have become the rules of the game under which I operate.

Next, so that no one would recognize the insubstantial nature of my promise, I fashioned real tokens to represent it. These I call *Money*. *Money* is the token of a promise; it is a debt token. It has no reality in itself.

It seemed necessary to camouflage the real nature of *Money*, so I gave it another name: *Medium of Exchange*. This has a respectable sound, and besides, that is actually how *Money* functions. It is not, however, a medium of distribution, as some of my apologists assert. I, the Price System, am not interested in distribution. I function solely to exchange goods and services *for a profit* on the basis of scarcity-determined values. Any distribution that results is just a by-product.

It became apparent at once that *Money* functioning as *Medium of Exchange* has certain useful characteristics. *Money* is negotiable, transferable, interest-bearing, and it can be saved. All this allows it to be traded, stolen, given or gambled away, and since it is not a measure of anything real or fixed, it can be devalued, revalued, and manipulated in countless ways. This variability is necessary to my existence. In addition, there must be an ever-present scarcity, else values will collapse and there will be no basis for exchange.

I HAVE MUCH TO CONFESS

I soon discovered that there must always be a free flow of *Medium of Exchange*; else the arteries of commerce dry up. The way I am organized, it is compulsory for the individual to accumulate as many debt tokens as possible or else become a public charge. Because *Money* constitutes a debt claim against society at large, it can be exchanged for any goods and services available. *Money* also constitutes a potential ``principal" which can be hired out at stipulated rates of increment (stated in terms of itself), thus increasing in size and effectiveness. When used in this way, *Money* is called *Capital*. Once an accumulation of debt tokens has reached the proportions of *Capital*, it becomes compulsory to keep it invested all the time, or else inflation shrinks it back into the nothing from which it came. It must increase or die.

The flow of *Medium of Exchange* must not stop. Before the invention of *Medium of Exchange*, my activities had been restricted to direct barter and outright theft. I never outgrew these time-tested methods of lightening the suckers' burden; I merely graduated to improved techniques. However, in hard times when a situation calls for these primitive methods, I always seize the opportunity to keep in practice. There's nothing like having something to fall back on should a rainy day come.

I BEGIN TO FEEL MY OATS

During my checkered career I have performed a complexity of manipulations with *Medium of Exchange*. Dozens of schools of economics have arisen around my antics, each claiming to have the correct theory of *Money*.

The device of *Capital* allowed me to put into effect *Delayed Exchanges*. This opened a whole new world for expansion. I brought *Capital* and *Delayed Exchanges* together in wedlock and they begat *Debt*, *Interest*, *Profits*, and *Waste*.

Debt got bigger all the time. His little brother, *Interest*, accompanied him wherever he went. Every so often *Profits* got lost among *Delayed Exchanges*, but *Debt* and *Interest* always went out and brought him back. *Waste* operated everywhere in expediting the turnover of *Delayed Exchanges*, thus helping to maintain scarcity.

When *Delayed Exchanges* seemed to be turning over too slowly, I brought *Waste* and *Profits* together in illicit relations. They begat cheap substitutes and shoddy goods. *Delayed Exchanges* turned over much faster after that and *Scarcity* became more pronounced. This also kept *Medium of Exchange* flowing.

But alas! *Debt* turned out to be allergic to a natural enemy called *Paid in Full*. Every once in a while this pest showed up and I was forced to create *New Debt*. After some experimentation I devised an improved type of debt called *Long-Term Debt*. He resisted *Paid in Full* much better. So with *Scarcity*, *Values*, *Promise to Pay*, *Medium of Exchange*, *Capital*, *Delayed Exchanges*, *Interest*, *Debt*, *Profits* and *Waste*, I was almost all set for an endlessly successful career.

There remained two things to do. I had to have an institutionalized social structure superimposed upon these characteristics in order to consolidate my gains and maintain law and order. Also, it was necessary for me to assume a camouflage so that people would take me for everything else but what I actually was. Radicals, liberals, moralists and humanitarians have tinkered with my superimposed social structures for ages without altering or affecting my basic operating characteristics one bit.

To tell the truth, I did not design these social institutions as one job. They grew up naturally over a period of time as a normal corollary of the basic system of trade and commerce underneath.

In the very beginning of social life people came together in groups for the purpose of multiplying their strength against opposing forces of their environment. Thus they obtained individual security more effectively. The paramount concern of the social state is supposed to be the general welfare. How I subverted social life from that purpose is a story in itself. It runs concurrently with the gradual development of my operating tools for production and exchange of goods and services.

Briefly, those who learned how to chisel according to the opportunities provided within my framework became the ruling oligarchy. Everyone, of course, could not do so. Only a minority. For where there are exploiters, there must be some one or something to exploit.

Throughout history I have been operated and controlled by three oligarchies: the oligarchy of organized government to maintain law and order, the oligarchy of the priesthood medicine men that preach submission to me and reward after death, and the oligarchy of the entrepreneurs who operate trade and commerce. These three have either controlled separately or together in all countries. I name them *Political State*, *Ecclesiasticism*, and *Private Enterprise*. Their role today is the same as it has always been. Since the first concern of any government is to maintain itself, it protects its own. *Private Enterprise* functions to exploit the natural resources of the land and people for all the profit the traffic will bear. It is easy to see how the interests of the three oligarchies tie together.

SUCH STUFF AS DREAMS ARE MADE OF

The last factor that adds to my strength and resistance to change is the set of sugar-coated *Abstract Concepts* that has been woven into it by philosophers, historians and clergy. I conjured most of these empty ideas out of nothing and gave them names. The readiness of people to become enamored by visionary conceptions is truly amazing.

Abstract Concepts are composed of words—symbols in the mind—that are not reflections of real things in the physical world. The minds of humans, in addition to being able to contain real concepts, can also entertain an apparently limitless number of empty symbols that represent nothing in the physical world at all.

This fact is one of my main props. Over a period of time, philosophers have invented thousands of *Abstract Concepts* to intrigue the minds of humans. Among these are Liberty, Freedom, Equality, Fraternity, Justice, Natural Rights, Survival of the Fittest, Right, Wrong, Morals, Ethics, and Sin. People keep busy ever seeking to gain or avoid them, often ignoring the physical world. Try to perform an operation to prove the existence of any of these concepts in the physical world and see how far you get.

I love these *Abstract Concepts* because, not being physical entities, they can be and are clothed in ever-shifting definitions. The intensity of their hold upon the mind is so great, however, that people will face blazing machine guns in defense of them even though they don't exist. Whether people will go so far in the furtherance of *REAL* concepts remains to be seen.

Abstract Concepts help to conceal my real nature. You can see that in physical operations to produce goods and services, I conform to physical laws. But in the distribution of this physical wealth for debt tokens, I ignore physical laws. The control is carried on by *Abstract Concepts*. No wonder it jams up so much.

As I look back now I can see that my worst troubles began in 1782 A.D. The first practical double-acting steam engine was developed then. That application of extraneous energy began an increase in the time-rate of doing work, which was to become a threat to the very scarcity on which I depend. Oh! If only I had known then what I know now! I would have been more ruthless in my persecution of science. But once rekindled, scientific knowledge grew and flourished.

I AM OUTFLANKED

By the time the 18th Century rolled around, this growing body of knowledge had spawned the ``witches' brew'' of science—the scientific method and the scientific attitude. Inventions were made.

Machinery came into being, crude and cumbersome at first, but more efficient than my age-old methods of human toil and hand tools. Some unknown enemy of mine discovered that any motion that is repetitive can be performed better by machinery than by human hands. Then the factory system of production was born and my arch enemy, Technology, entered the picture.

Coincident with these developments came a greatly increased use of power derived from sources outside the human body, such as coal, oil, gas, wind and falling water. Without this development, technology would not have attained its present state. The use of non-muscular energy was new and revolutionary.

Throughout history the only source of power available had been the human body supplemented by crude wind and water wheels and work animals. The only way to produce more was to employ more workers or to work longer hours. Now, the steam engine developed many times the power of one person. The Industrial Revolution began, and I, poor fool, welcomed all this.

Humankind has become dependent upon the machine. The best I can hope for now is to revert to some intermediate stage of development and freeze there. In fact, I have been staging an attempt in that direction lately. I call it ``Small is Beautiful." It is my only hope against extinction.

MY UPHOLDERS ARE LEGION:

- I am the aesthetes who revel in the delicacies of life that are beyond the reach of the great majority.
- I am the privileged few who are free to enjoy the fresh air, sunshine, green meadows, streams and mountains of North America—the ones that are left, that is.
- I am the whalers and the poachers who kill rare, endangered species for profit.
- I am the hunters who slaughter baby Harp Seals in the name of fashion and vanity—and profit.
- I am the developers who see condominiums where others see open meadows and oak trees.
- I am the grand mansions on the Avenue where conspicuous consumption is the order of the day.
- I am the bleak, filthy slums where minds and bodies are dulled by incessant poverty.

I am the Park Avenue playboy and the procurer who hangs around taverns. Their methods differ in degree but not in kind.

I am all the ``nice", kind people of North America who want to hang homosexuals and legislate pseudo-Christian morality. How their hearts can bleed for the poverty-stricken of other countries but not for their own children.

I am the wealthy landowners and multinational corporate minds who make conditions in Mexico and Central America ripe for revolution. I am the revolutionaries who gain power and then continue the miseries of my system.

I am the farmer who throws milk in the gutter or leaves crops to rot in the fields when the price is too low.

I am the housewife in a constant dither to keep up with the Joneses, who hums an advertising jingle when she passes a product in the store.

I am the father and mother who enslave their beloved children to their own narrow horizons in the sacred name of parenthood. My voice is heard plainly in schools and colleges throughout the land, and my schools help the parents enslave children to my *Abstract Concepts*.

ABSTRACT CONCEPTS

I am the administrator who resists innovations in curriculum, and the educator who knocks the creativity of children.

I am the teacher who complains about low pay and poor classroom conditions, but who does not understand how people learn.

I am the law at the end of the police officer's nightstick, the politician who tells him how far to go in enforcing the law, the hired gunman and thug, and the stool-pigeon who puts the finger on my scapegoats. I operate the court systems that inveigle ``Justice" over to the side with the most money. I am the cash-register concept of social values of the smart business person.

I am all the commercial escapisms of modern society from the moronic TV shows to the equally moronic advertising industry that support them.

I am the carefully controlled and orchestrated news media and the advertisers who pay for it and censor it.

I am the sap who believes everything on TV.

I am the millions of adults and children in this country who cannot read and write.

I am the miseducated, smart fool who knows all the wrong answers.

I am the banker who never knew anything about my commodity except how to take a dollar and lend it out at the highest possible interest rate.

I am the white-collar snobs, the vice-presidents and honorable stooges who snub those in more plebeian walks of life, and the peasant psychology of the underdog who looks up to society instead of around at it.

I am the myriad of non-producing personnel in all industries who thrive on the institutionalized red tape of my system.

I am the class hatred of the ideologists of dialectic materialism.

I am the cold warriors who guarantee security with a policy of mutually assured destruction.

I am all the minority pressure groups, rich and poor, seeking preferential advantage at the expense of everyone else.

I am the people's representatives who cater to these groups.

I GO ON A LONG SPREE

In the beginning of the Industrial Revolution, I enjoyed expansion as never before. I spread to the farthest corners of the earth. I modernized my operating characteristics and added refinements unknown in simpler agrarian, handicraft ages. Any debt merchant or economist can reel off the list. They study the pathology of my operating devices (which you will remember were conjured out of nothing) without ever questioning their reality.

When industrial expansion began, I saw at once that *Private Enterprise* needed a few more *Abstract Concepts* to assist it. So I conjured up: Live and Let Live, Competition is the Life of Trade, Rugged Individualism, Invisible Hand, Social Darwinism, Niggardliness of Nature, Law of Diminishing Returns and Free Enterprise.

They sound beautiful and have furthered the confusion on which I depend; but I can assure you, they are as hollow as puff balls.

As *Political State* saw *Private Enterprise* expanding into corporate enterprise, it had to modernize too. So I added a set of *Abstract Concepts* to it also, such as: Political Democracy, Voice of the People is the Voice of God, Government of Laws and not of Men, Equality Before the Law, Freedom of the Press, Freedom from Want, and Freedom from Fear. Any politician can reel off the list. They're always spouting these *Abstract Concepts*.

These latter-day *Abstract Concepts* came in with the Industrial Revolution. They are now part and parcel of my operating tools. You will see, however, that they cannot be worn as clothes to keep out the cold nor can they be eaten to nourish the body. They are in all respects negotiable the same as *Money*. They can be and are bought, sold and traded on the open political market.

MALTHUSIANISM OUTWITTED

One of the first effects of the Industrial Revolution was an upsurge in population. It was possible with the new power and technology to produce more. So it was possible for more people to stay alive. This trend has continued. For the first hundred years or so it didn't matter. Industry was expanding. Jobs and incomes were available. The birth rate of new jobs was greater than the rate at which old jobs were eliminated by technology. The general welfare has not kept up with the exploding population. The birth

rate of new jobs has long since dropped below the death rate of old jobs. Widespread hunger and suffering have resulted.

Most of the world is still in the first or second stages of the Industrial Revolution. So it shouldn't be too hard for me to retard social change there. I, the *Price System*, can still operate according to the old formula in most countries. *Political State* in every country is armed with a useful *Abstract Concept* called *Nationalism* to oppose any unification of nations based on location of natural resources (logical physical criteria.) The juju of my *Abstract Concepts* is captivating, even if they themselves are not real.

LOOK DOWN THAT LONESOME ROAD

As I survey the world today, I find that in North America I am in extreme danger of liquidating myself in the very near future. There, technology and energy have advanced further than anywhere else. The operating devices that worked so well for so long in North America don't seem to work any more. Neither political ideologies nor economic utopian nostrums can alter my basic operating characteristics one bit. Their proponents make good scapegoats, but my real enemy is the fact that I, the Price System, can not adjust myself today in North America to the impact of technology and energy.

In the past when things got tough for me, I could start a war and channel social change into homicidal conflict. Today, corporate enterprise particularly benefits greatly in time of war. Prices rise, business booms and profits mount higher. *Political State*, too, has an opportunity to expand its sphere of influence and prerogatives. *Ecclesiasticism*, of course, functions on both sides. As a general rule, the same can be said for *Corporate Enterprise* in these days of international bankers, cartel agreements and multi-national corporations.

Technology, however, has made war too expensive for me. Not that I mind the killing, but the financial problems are a headache. Worst of all, modern wars are waged with the tools of technology, and (woe is me) the tools of technology are the tools of social change. In America today the more technology and energy that are introduced, the more insoluble my problem becomes. They defeat my cornerstone purpose of maintaining *Scarcity* and *Values*.

The installation of ever more new and efficient technology in North America also dries up the free flow of *Medium of Exchange*. You see, as more efficient mechanisms are introduced, jobs become automated. This spells misemployment of labor and decline of total purchasing power. In other words, more people get laid off and thus have less *Money* to spend. This means *Private Enterprise* produces less and sells less. As *Private Enterprise* produces less, more people lose their jobs and their spending money. It's a vicious circle.

So it becomes necessary to create ever more *New Debt* to pay for the installation of still more efficient mechanisms to cut the costs of production and grab a share of the dwindling market.

I HAVE TO EXPAND OR CONTRACT

I have my economists tell people that growth of production is the only way to cope with the situation. However, new technology increases *Profits*, but it makes it ever more difficult to reinvest *Profits*. This

takes place despite my best efforts at Monopoly Control, Restricted Production, High Prices, Shoddy Goods, Buried Patents, Cartel Agreements, and Financial and Political Interference. *Private Enterprise* very easily out-produces its ability to sell the goods it makes. Reinvestment in new industry becomes ever more necessary and ever more difficult.

From 1860 to 1914 in North America my *Debt* was always healthy. Since 1914 the reverse has been the case. Physical production has been leveling off, but *Debt* is going straight up into the high heavens.

About 1932, *Private Enterprise* gave up the struggle to create *New Debt* and passed that responsibility over to *Political State*. This lieutenant of mine, strong as he is, now barely staggers along under the growing load. With all the people being disemployed by technology, *Political State* has become the largest single employer and dispenser of *Medium of Exchange*. It had to employ people by providing jobs that do nothing productive, so as not to compete with *Private Enterprise*. Many jobs are in the military arms race, or *Political State* simply hands out *Money*. To pay for all this, *Political State* has to increase taxes and create *New Debt*.

Since *Private Enterprise* dumped its *Debt*-creating prerogative onto *Political State*, the curve of industrial production has been following the curve of government spending. It's not a problem of finance; it's a problem of how to maintain physical production at a high level so as to create jobs and maintain purchasing power and the free flow of *Medium of Exchange*. If I allow physical production to be maintained at a high level, I destroy *Scarcity*; I dry up the flow of *Medium of Exchange* and have to create more *New Debt*. No matter which way I turn in North America there is an impasse. Oh, riddle of riddles! What can I do?

Perhaps I can solve that one particular problem at least. *Debt*, if you remember, is created out of nothing. It can also be dissolved back into nothing. It's called hyper-inflation. *Political State* increased the amount of *Money* in circulation until it became dirt cheap. So the debtor takes this legally inflated *Money* to his creditor and pays off his *Debts* at a fraction of their former worth. It's a legal swindle, but so what! I told you, *Debt* is conjured out of nothing, didn't I? Well, when inflation gets out of control, *Private Enterprise* performs hari kari for the good of all (it's called a depression), and then I start all over again with a brand new *Private Enterprise*.

In North America the problem of production is solved. The new technology is already installed and can do the job of distributing goods and services for everyone whenever my interference controls are removed. My problem is to stall this off as long as possible and to devise ways and means to freeze social change on a low level. I don't care if it does involve killing off 50 percent to 75 percent of the population of North America. What is that compared to my beloved oligarchies: *Private Enterprise*, *Political State* and *Ecclesiastics*?

THE END JUSTIFIES THE MEANS

Since I was conceived in *Scarcity* and dedicated to *Waste*, I am utterly without scruples. I know very well that the prosperity I have been enjoying now in North America is only transitory. I know that it has been bought at the terrific risk of installing a greatly expanded technology.

I know that scientists and engineers have been analyzing my operating characteristics and have pointed out every flaw. I know, too, that a more efficient social system has been designed that *will* distribute a high standard of living and security to *everyone*. But even though I know the handwriting is on the wall, I have not lost hope. My collapse and the victory of technology are not inevitable.

If I cannot rule, I can always ruin. If I go down, I may be able to arrange things so as to carry all civilization in North America with me. But even if chaos results, I will not disappear. Out of the chaos I will rise again like the Phoenix from its own ashes. For I have been with you a long time and have learned many tricks. History records the disappearance of eight different civilizations of the past. The causes are obscured in the mists of antiquity, but history has never yet recorded one single collapse of trade and commerce, Price System basics.

There is only one thing that can liquidate me permanently. That is the replacement of my Price System methods of control by a system of technological controls devised out of the *Reality* of physical laws. But it has never been done before. And due to the nature of technology, it must be accomplished *peacefully*. How difficult this is going to be, a glance at my record will reveal. I loathe peace. As I look into the immediate future I can gather strength from the realization that I am not alone. For I have many able allies who work unceasingly in my interests. Some of them have been with me a long time.

YES. . . I AM THE PRICE SYSTEM

I am the social system and institutions designed to fit the agrarian, handicraft cultures of other lands, imported from across the ocean and superimposed upon the great advanced technology of North America. I am the folklore and the hoary traditions of over 7,000 years of human toil, hand tools and *Scarcity*.

I am the seminar leader who helps people overcome their personal inadequacies so they can deal with me more effectively, people who never envision a society without my operating characteristics.

I am the avant-garde physicist who questions Newton's clockwork mechanistic view of matter and energy, but who fails to question the reality of my *Abstract Concepts*.

I am all the ``return-to-the-land" folks who glorify human toil and think the path to a new age can be paved without modern technology, leaving me free to continue to diminish the quality of life.

I can't afford to let them know the difference between my methods and the method of science. As long as people confuse science and technology with Price System methods, they will be able allies should I need to destroy the technology.

I am the ``common sense" of the ignorant crowd, and all the superstitions of the unknown.

I am the incalculable inertia of the great mass of people who never do anything about anything unless they are driven to it.

I am every chiseler looking for a sucker, and every sucker who would like to be a chiseler.

I am everyone everywhere with a hamburger sandwich psychology of living standards in the richest continent on earth.

I am all those who know better but who do nothing about it.

I am you reading this article. What have you ever done that conflicts with my interests?

With such able allies, it will not be easy for technology to affect my collapse.

I am the Price System !
